Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

HB 1985

Brief Description: Concerning public health financing.

Sponsors: Representatives Moeller and Pedersen.

Brief Summary of Bill

• Creates an account and funding methodology for local health jurisdictions.

Hearing Date: 2/10/09

Staff: Jim Morishima (786-7191)

Background:

Public Health

Public health generally consists of five categories of activities: preventing and responding to communicable disease, protecting people from environmental health threats, assessing health status, promoting health and preventing chronic disease, and accessing health services. In Washington, public health services are provided primarily by a decentralized system of 35 local health jurisdictions and by the Department of Health (DOH) and other state agencies (such as the Washington State Board of Health).

Public Health Financing

Public health is financed through a variety of sources, including:

- federal grants;
- state appropriations;
- appropriations from local governments; and
- fees.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In 2007, the Legislature appropriated approximately \$20,000,000 for the 2008-2009 biennium for local health jurisdictions. The DOH was required to distribute the funds to local health jurisdictions. The amount of funding provided to each local health jurisdiction was the greater of:

- \$100,000 per year; or
- \$75,000 plus a per capita amount for jurisdictions with a population of 400,000 or less, or \$25,000 plus a per capita amount for jurisdictions with a population of greater than 400,000.

Public health jurisdictions are required to use the funds for core public health functions of statewide significance as determined by the DOH. The DOH is required to use performance measures to determine whether the public health jurisdictions are using the funds properly. If the DOH determines that a local health jurisdiction is out of compliance, the local health jurisdiction will be given 60 days for corrective action. If the local health jurisdiction remains in non-compliance after the 60 days, the funding will be suspended until the jurisdiction is back in compliance.

The Public Health Improvement Plan

In 1993, the Legislature required the DOH to develop a Public Health Improvement Plan (PHIP), which contains a variety of information relating to public health, including:

- recommended strategies for improving public health programs;
- recommendations for public health funding; and
- a definition of minimum standards for public health protection.

The minimum standards for public health have evolved over time and currently consist of 12 standards for public health and measures associated with those standards. The 12 standards are:

- Community Health Assessment;
- Communication to the Public and Key Stakeholders;
- Community Involvement;
- Monitoring and Reporting Threats to the Public's Health;
- Planning for and Responding to Public Health Emergencies;
- Prevention and Education:
- Helping Communities Address Gaps in Critical Health Services;
- Program Planning and Evaluation;
- Financial and Management Systems;
- Human Resource Systems;
- Information Systems; and
- Leadership and Governance

Summary of Bill:

The Public Health Improvement Account is established in the State Treasury. Funds in the account may only be used for core public health functions of statewide significance. Every January, each public health jurisdiction in the state is to receive a base level of \$100,000 plus a per capita amount from the account. Funding from the account is predicated on substantial compliance with the minimum standards for public health protection in the Public Health Improvement Plan (PHIP).

The Secretary of Health (Secretary) must establish a review process to determine whether a local health jurisdiction is out of substantial compliance with the minimum standards, which he or she must use to review every local health jurisdiction at least once every three years. If the Secretary finds that a local health jurisdiction is out of substantial compliance, he or she must notify the local health jurisdiction in writing. The local health jurisdiction must then submit a plan of correction within 60 days.

If the Secretary determines that the plan of correction is likely to bring the jurisdiction back into substantial compliance within 180 days, he or she shall provide technical assistance to the jurisdiction to help it implement the plan of correction. If the Secretary determines that the plan of correction is not likely to bring the jurisdiction back into substantial compliance within 180 days, he or she may reject the plan and direct the jurisdiction to re-submit it within 15 days.

The Secretary must order the State Treasurer to suspend payments to a local health jurisdiction if:

- a jurisdiction fails to submit an approved plan of correction; or
- a jurisdiction with an approved plan of correction remains out of substantial compliance with the minimum standards 180 days after it submits the approved plan.

The Secretary must re-review a jurisdiction that is out of compliance every 180 days. Once the jurisdiction is back in compliance, the State Treasurer must resume payments to the jurisdiction plus any moneys the jurisdiction should have received during the period of suspension.

The Secretary may exempt a local health jurisdiction from the review process if the jurisdiction is accredited by an organization whose standards meet or exceed the minimum standards for public health protection in the PHIP.

Statutory provisions relating to the performance measures and review process for the \$20,000,000 appropriated in the 2008-2009 biennium are repealed.

Appropriation: None.

Fiscal Note: Requested 2/06/09.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.